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CC: Myra

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, DC 20410-0001

March 6, 2009

The Honorable Susan Kluttz
Mayor of Salisbury
PO Box 479
Salisbury, NC 28145-0479

Dear Mayor Kluttz:

I am pleased to inform you that the U.S. Department of Housing and Urban Development has allocated \$10.1 billion, made available through the American Recovery and Reinvestment Act of 2009 (Recovery Act) (Public Law 111-5) signed into law by President Obama on February 17, 2009.

This letter provides the allocations from the Recovery Act for the following programs administered by the Department: Community Development Block Grants; Public Housing Capital Fund; Lead Hazard Reduction; Section 8 Project-Based Rental Assistance; Homelessness Prevention Fund; and Tax Credit Assistance. These programs provide funding for housing, community and economic development, and assistance for low- and moderate-income persons and special populations across the country.

Table 1 reflects the level of funding directly available for those programs in your community. Table 2 identifies funding available through other partners in your community, and finally, Table 3 identifies the allocation provided to your state for which you may apply:

Table 1 – Grants awarded directly to your community

<i>Recovery Act of 2009 Program</i>	<i>Grant Amount</i>
Community Development Block Grant	\$82,747
Homelessness Prevention Fund	\$0
Lead Hazard Reduction	\$0

Table 2 – Grants awarded to partners in your community

<i>Recovery Act of 2009 Program</i>	<i>Grant Amount</i>	<i>Percent of Units in Your Community</i>
Public Housing Capital Fund*	\$1,262,071	100%
Section 8 Project-Based Rental Assistance**	\$0	
Lead Hazard Reduction Grant	\$0	

*Some housing authorities serve areas larger than the city or county. The Grant Amount reflects the total grant to the housing authority(ies), and Percent of Units in Your Community reflects the percent of its (their) public housing units that are in your community.

**The Project-Based Rental Assistance reflects the funding needed to meet the Federal Government's contractual obligation with project-based owner(s).

Table 3 – Grants awarded to the state. Partners in your community might be able to apply for these funds.

<i>Recovery Act of 2009 Program</i>	<i>Grant Amount</i>
Tax Credit Assistance	\$52,152,687

Additional competitive funding will become available in the near future for the Neighborhood Stabilization Program, the Public Housing Capital Fund Program (renovation and energy conservation), and the Section 8 Project-Based Rental Assistance Program (energy conservation).

Investments made with Recovery Act funds must be efficient, effective, and without waste, fraud, or abuse. To this end, the Recovery Act requires unprecedented levels of transparency, oversight, and accountability – measures that HUD rigorously will enforce. Effective performance measurement and accountability are crucially important in all formula grant programs, and it is essential that HUD have complete performance data to report to President Obama, the Congress, and the American people. Your dedication to complete accurate reporting of performance measurement data will be necessary to demonstrate the effectiveness of your investments specifically, and of HUD formula grant programs and the Recovery Act at large. To ensure transparency and accountability for Recovery Act investments, public reports will be disclosed through a central website, www.Recovery.gov, and through HUD's Recovery website, www.hud.gov/recovery.

Local governments nationwide are grappling with effects of the current economic challenge. The timely expenditure of Recovery Act funds being announced in this allocation, in addition to the competitive funds that will be made available in the near future, are targeted to help communities and families recover from the economic situation. Furthermore, many of these Recovery Act funds make it possible for communities to reap the three benefits of energy retrofitting: the creation of local green jobs, utility cost savings, and a reduction in carbon emissions. HUD strongly encourages its grantees to focus on this opportunity.

As with all HUD Recovery Act programs, your community has HUD's commitment to be as flexible as possible to help communities such as yours address local needs in the most effective manner.

I look forward to establishing a partnership to help strengthen your community for years to come. HUD is always available to help you implement your programs effectively. If you or your staff have any questions, please contact your local HUD Field Office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shaun Donovan', with a long horizontal flourish extending to the right.

Shaun Donovan